

CIA Veteran To Be Given Inman's Job

By Lou Cannon

Washington Post Staff Writer

Jean N. McMahon, a 31-year-veteran of the Central Intelligence Agency, will be named today as deputy director to succeed Adm. Bobby Ray Inman, who is retiring, administration sources said yesterday.

The selection of McMahon, who now heads the CIA's foreign assessment division, is expected to mollify members of the Senate Intelligence Committee, who have been openly skeptical about the expertise of CIA Director William J. Casey.

Reflecting these concerns, Sen. Richard G. Lugar (R-Ind.), a key committee member, said last week that Inman's abrupt announcement of resignation had created "a rather traumatic situation" in the agency.

Lugar called a press conference to express his reservations about Casey and urged the administration to consult with the Senate committee before it selected a successor to Inman. The Indiana senator said that he was trying "to send some signals" to the White House.

These signals were heard by President Reagan and top aides, led by national security adviser William P. Clark. Administration sources said that McMahon, who also has Casey's confidence, was a unanimous choice in the administration, especially after senators, including Lugar and Henry M. Jackson (D-Wash.), passed the word that the choice was fully acceptable to them.

Jackson, without mentioning McMahon's name, said yesterday on "Face the Nation" (CBS, WDVM) that the appointment would be popular with Congress.

"I think he is a first-rate professional and will help the morale within the professional service because he has been selected out of the professional service," Jackson said.

McMahon, 52, a graduate of Holy Cross, joined the CIA in 1951 and has a wide range of experience in administrative, operational, scientific and technical positions in the agency.

Midway in the Carter administration, he was appointed deputy director for operations, making him chief of CIA covert activities.

Last April, Casey named a political crony, Max Hugel, as deputy director for operations and McMahon took over as the director of the agency's National Foreign Assessment Center, an important position in which he was responsible for the production of finished intelligence.

On July 14, Hugel was forced to resign in the wake of reports that he had engaged in questionable stock market dealings. Ever since, some members of the Senate Intelligence Committee, led by Chairman Barry Goldwater (R-Ariz.), have been openly questioning Casey's judgment and abilities.

McMahon has the reputation in the CIA as being an extremely competent technician. Nonetheless, he will have big shoes to fill in his new assignment.

Inman, also well qualified technically, enjoyed an unusual measure of bipartisan confidence in Congress, and is given credit both in the CIA and outside of it for helping to restore the image of an agency that was badly damaged by the disclosures of the Vietnam and Watergate years. Before joining the CIA, Inman was director of the National Security Agency.

Inman's presence in the No. 2 spot throughout the Reagan administration helped to quiet persistent congressional concerns about Casey. Unless McMahon can take over this role, there is likely to be renewed demand from senators knowledgeable in intelligence matters that Reagan find himself a new CIA director.

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WALL STREET JOURNAL
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McMahon Is Expected To Be Named to CIA Post

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—John McMahon, a career intelligence officer, is expected to be nominated as deputy director of the Central Intelligence Agency, administration officials said.

Mr. McMahon currently is executive director of the agency. In that job, he has been handling many of the details of daily agency operations, intelligence officials said.

Mr. McMahon would succeed Adm. Bobby Inman, who announced last week that he is resigning the Number 2 post at the CIA. Adm. Inman is quitting partly because of a dispute over Reagan administration plans to begin a study that could significantly expand counter-intelligent activities in the U.S.

Word of Mr. McMahon's nomination came yesterday from Sen. Henry Jackson (D., Wash.), on CBA-TV's "Face the Nation." Sen. Jackson said a formal announcement was expected today, but only hinted about the identity of the nominee. He described the nominee as "a career man" with the CIA "who has been in the service some 31 years." Mr. Jackson, a member of the Senate Select Committee on Intelligence, said the panel respected the nominee and predicted he would boost morale at the agency.

Swift Senate approval of Mr. McMahon's nomination is expected.

Civilian in Inman's CIA post

By LARS-ERIK NELSON

Washington (News Bureau)—President Reagan has chosen John N. McMahon, a 31-year veteran of the Central Intelligence Agency, to succeed Adm. Bobby Inman as deputy director of the agency under William Casey, sources said yesterday.

McMahon, currently director of intelligence, the analytical side of the CIA, is a former clandestine operative. The appointment marks the first time in the recent history of the CIA that both top jobs have been held by civilians, an official said.

McMahon, a ruddy-faced Irish charmer with thinning blond hair, was chosen partly because it was felt he would be reassuring to members of the Senate who were dismayed by Inman's abrupt resignation.

Many senators regarded Inman, former director of the super-secret, code-breaking National Security Agency, as a highly professional brake on Casey and a number of amateur cloak-and-dagger operators in the Reagan administration.

"He's a very decent guy, but he's no Inman," one official said. "He's the kind of guy who goes along with his

superiors. He's not known for the independence of his views."

A former Jimmy Carter administration official predicted that McMahon would be reassuring to the Congress but said, "He really is a bureaucrat. He will do as he is told."

Inman resigned in part for personal reasons and in part because of a reported series of running battles against the administration's desire to involve the CIA more deeply in domestic counter-intelligence. He angered some Reagan officials by giving only lukewarm support to their plans when he appeared before Congress.

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No. 3 C.I.A. Official Called A Likely Successor to Inman

By BERNARD WEINRAUB

Special to The New York Times

WASHINGTON, April 25 — President Reagan plans to appoint John N. McMahon, executive director of the Central Intelligence Agency, to the No. 2 job in the agency, replacing Adm. Bobby R. Inman, who resigned last week, intelligence sources said today.

Mr. McMahon, who presently holds the No. 3 job in the agency, is a 52-year-old career officer who has spent more than 30 years at the C.I.A. Officials at the agency and on Capitol Hill said that he has worked in virtually all areas of the agency, including the operational and scientific side.

Mr. McMahon's scheduled appointment as Deputy Director of Central Intelligence under William J. Casey, the Director, follows Admiral Inman's resignation Wednesday. That was tied, in part, to a possible reorganization of counterintelligence operations, according to Administration officials. Admiral Inman, who was popular on Capitol Hill, opposed that review, fearing it might lead to a consolidation of counterintelligence responsibility in a new and powerful organization with authority to collect information in the United States.

A ranking Administration official said today that President Reagan had planned to delay the selection of Admiral Inman's successor. But the expressions of concern by Senator Richard G. Lugar, Republican of Indiana, a member of the Select Committee on Intelligence, about the impact of Admiral Inman's resignation led Mr. Reagan to expedite the appointment.

Although several Senators on the committee declined today to discuss the details of Mr. McMahon's scheduled promotion to the job of Deputy Director of the C.I.A., the official was lauded for his experience and skill. The appointment will face Senate confirmation.

'A First-Rate Pro'

"He's a first-rate pro, highly regarded," said Senator Henry M. Jackson, Democrat of Washington. "He's been through the hoop at the agency, knows the ins and outs, has a good technical background and knows the broad policy issues." The appointment "should help strengthen the morale in the intelligence community," Mr. Jackson said. The Senator, who spoke on the phone from his home in Washington, would not identify Mr. McMahon as the candidate even though he commented on his qualities at length.

Senator Daniel Patrick Moynihan, Democrat of New York, vice chairman of the committee, said: "Mr. McMahon was the only, and I repeat, only, appointment I would have found acceptable."

Intelligence sources said that the only other serious contender for the job was Gen. Lew Allen Jr., Chief of Staff of the Air Force. The sources said that President Reagan and Mr. Casey felt it was important to name an experienced C.I.A. official quickly to blunt the controversy stirred by Mr. Inman's resignation. Beyond this, officials said the Administration wanted to avoid a possible Senate fight over the nomination. At this point, officials say, the Administration expects the Senate to approve Mr. McMahon without difficulty.

Reached in Massena, N.Y., near Watertown, where he was campaigning for re-election, Senator Moynihan said the committee had had a "troubled 16-month relationship" with the Reagan Administration over some of its C.I.A. appointments, notably that of Max C. Hugel. Mr. Hugel was chief of clandestine operations at the agency until last July when he resigned in the wake of allegations that he had participated in fraudulent securities transactions when he managed an electronics business in the 1970's. He denied the allegations.

reliance on Admiral Inman because he was a nonpolitical and professional intelligence officer," Senator Moynihan said. "Frankly, we would not have been able to accept someone either from the political world or the military world who had no real intelligence experience."

Senator Moynihan said of Mr. McMahon: "I do not anticipate any problem with his appointment."

Senator Jackson said that he expected the White House to announce the appointment Monday, a point on which White House officials declined to comment.

Held Agency Science Posts

Mr. McMahon has held his current job as executive director of the C.I.A. since Jan. 4. Essentially, the job involves running the day-to-day operations of the agency. Mr. McMahon's recent jobs have included deputy director of the National Foreign Assessment Center, the agency's analytical branch. In the mid-1970's, he was deputy director for operations, and he has also served in science and technology posts in his 31 years at the C.I.A.

Stanley Sporkin, the agency's general counsel, said in a telephone interview today that Mr. McMahon was a "very fine, very solid, extremely smart person who knows the business." Mr. Sporkin described Mr. McMahon as a "very good administrator and very effective person."

Admiral Inman's resignation was apparently prompted by a number of clashes with the White House and sharpening disagreement over the direction of the Administration's policies on intelligence-gathering and foreign affairs. Earlier this year President Reagan approved the proposal to conduct a comprehensive review of counterintelligence policy and reorganization. This review was opposed by Admiral Inman. Administration officials said, partly out of concern that it would open the way for a new, and unnecessary, organization to deal with counterintelligence.